



WINGS

**WORLDWIDE
INITIATIVES
FOR
GRANTMAKER
SUPPORT**

Peer Learning Event for Emerging Associations of Grantmakers

*Meeting held 22-24 January 2004 in Moscow, Russia
Hosted by the Russia Donors' Forum*

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Participants (all CEOs unless specified):

Host organisation: Russia Donors' Forum, Natalya Kaminarskaya, Nick Deychakiwsky (Chair), Vyacheslav Bakhmin (Board member)

Grupo de Fundaciones, Argentina, Carolina Langan
Bulgarian Donors' Forum, Vessela Gertcheva
Consortio Ecuatoriano para la Responsabilidad (CERES), Valentina Ramia
East Africa Association of Grantmakers (EAAG), Jenny Hodgson (Adviser)
Romanian Donors' Forum, Gabriela Ivascu
Donors Forum, the Slovak Republic, Katarina Vajdova
Emerging Ukraine Donors' Forum, Yevhen Bystrytsky (Executive Director, International Renaissance Foundation)

Resource people:

Pavĺina Kalousová, Czech Donors Forum
Gaynor Humphreys, WINGS

1 What did the event set out to achieve?

Many of the world's grantmaker associations are young in years (half of those in the WINGS network are ten years old or less). The pace of development can, however, be speeded up or slowed down by many factors including the national environment in which an association is being developed. This event was aimed at associations which identified themselves as in an early stage of development, to share their understanding about the factors in development which have been most effective in building strong associations that add value to their members – and learn from each other's experience.

An invitation had been issued inviting interested people from the WINGS network to apply to take part. Once the participants were selected they were involved in setting the agenda to cover the issues of most relevance to themselves. Most participants were the CEOs of their organisations and each of these made a particular contribution to the event, presenting an issue, or moderating a session.

WINGS' peer learning meetings usually depend entirely on participants' knowledge and experience but in this instance WINGS decided to offer "peer learning plus" and Pavĺina Kalousová generously shared the experience of her somewhat older and more mature association in the Czech Republic.

The event was held in Moscow where the Russia Donors' Forum were the local hosts. The warmth of their welcome immediately dispelled any fears about hostile weather conditions as did their care in ensuring that everyone was well looked after and well wrapped up (and despite several days of gentle, constant snowfall, the temperature was also much better than the seasonal norm). Regional food was much enjoyed as well as some opportunities before and after the event for sightseeing and cultural trips in this huge but enchanting city.

2 Introductions and scene setting

Gaynor offered a simple typology of associations to start focusing discussion and reach some agreement about similar terms for different developmental stages. Early on in planning this event, the group had used terms from the human life cycle and they continued to find these helpful and quick ways of describing the stages - though they did not relate in any simple way to chronological age.

- 1 Ideas stage (the baby): exploring possibilities, learning a lot, much energy, member-led, still shaping the organisation and discussing its mission and goals
- 2 Start-up (the toddler or small child): still high energy and highly responsive, lots of ideas but tight budget, beginning to develop structures and first staff member(s), highly involved members
- 3 Growth phase (the teenager); many activities but few priorities, staff stretched to achieve goals, broader focus for activities than just what members want, starting to tackle issues about standards, inclusiveness, etc
- 4 Established (the adult): a clear institution with structures and objectives, a strong external focus, high recognition by others, fairly predictable funding, support for new projects, systems in place.

Stage 4 carries as many hazards as the earlier stages. Settling into comfortable patterns of activity, lacking responsiveness to the real needs of members, failing to keep ahead of members on issues affecting the sector, and many other factors, can see established associations losing their ability to add value unless they review and refresh their mission and goals and structure continuously. Length of years probably doesn't make association management easier, the group agreed!

The meeting opened with an opportunity for participants to share some detail about their organisations, to add to written profiles shared in advance.

Country/ region	Year formally constituted (year informally began)	Staff/volunteers	No. members/ no. grantmakers	Last year's budget US dollars	% budget from member subscriptions
Argentina	2001 (1996)	1 FT, 2 PT	15/15	\$25,000	100%
Bulgaria	2003	1 FT, 3 PT	10/10	\$22,000	10%
Czech Rep.	1997 (1995)	14 FT/25 vols	50/50	\$220,000	6%
East Africa	2003	1 PT	14/12	\$45,000	50%
Ecuador	2002 (2000)	1 plus assistance from host body	13/11	\$15,000	75-80%
Romania	(1999)	1 FT, 2 PT/ 3 vols	17/17	\$57,000	0%
Russia	2002 (1996)	2 FT, 1 PT	24/24	\$85,000	30%
Slovakia	2000 (1996)	2 FT/ 5 vols (Board)	21/21	\$15,000 plus projects	70%

Much discussion was needed on the terminology used to describe grantmakers, to achieve consistency: there was some discussion about the balance of foreign and indigenous or local grantmakers in membership but the term "indigenous" in some countries refers to first nation people only and "local" could describe the scale on which a grantmaker operates – so neither of these words could easily be used to mean grantmakers in your own country. The group used local in this context to mean "in-country":

- Grantmakers can be local (ie established and operating within the country the association serves) or foreign
- But local grantmakers may be using local money or foreign money for their grantmaking
- And even local money may be not directly "owned" by the grantmaker but is money given to them by another funder for regranting.

Roughly speaking Slovakia has five or six local grantmakers in membership, Romania eight, Bulgaria two, and Russia three, while East Africa has three foreign donors and the Czech Republic one.

While most of the associations' members are grantmakers, these organisations may have a broader range of activity than just grantmaking. In Latin America, especially, they are more likely to be "hybrids", that is also operating their own programmes and projects.

Nick Deychakiwsky, as Chair of the host organisation for the event, used the opportunity to tell participants something of his Forum's development and his comments provided a useful benchmark later on as others talked about their own associations.

The **Russia Donors' Forum** started as a club of foreign donors keen to collaborate over practical issues as they sought to work effectively in Russia during its first transition at the end of the Soviet period. After some time there was a shift in thinking which led some of these to support indigenous (ie local) grantmakers. As the number of grantmakers grew and they asked for more services, the work outgrew the capacity of the Chair and board only and a staff member was appointed – whom they saw not only as providing capacity but also vision. Membership criteria and a structure for subscriptions were both developed. Priorities were seen as getting member buy-in; encouraging diversified funding in Russia, especially the development of Russian donors; shifting the Forum's language to Russian, from English; addressing the craft of grantmaking and donors' professional development, and more recently becoming involved in advocacy for the sector. Only donors with a national reach can currently become members but this is being reviewed, especially with the growth of community foundations in Russia. Natalya also added that the Forum relies on the Mott Foundation for 25% of its income. There is normally one general assembly a year (though two in 2003 and a first annual conference). The board (called the Council) had five meetings last year and members are very active between meetings.

Argentina took five years to develop into a formally registered association. Initial help came from the Kellogg Foundation and the association has been given an office. All the grantmakers are local to the country. One general assembly and four Board meetings are held each year.

Bulgaria has had a difficult history of trying to develop an association, with several failed attempts. This newest initiative operates currently from the Open Society Institute office and has ten members, all of which have grantmaking as part of their work.

Czech Republic: the Forum has a big staff group and many active volunteers including Board members. They have a complex structure which seems to work well: an association of foundations (31 members); a separate grouping of non-endowed foundations (a distinction in Czech law) (six members); a corporate donors club (13 companies, not corporate foundations); and 15 affiliates. There is much grant support for the activities but no dominant donor. A total of 10% of income comes from services (and should grow). There are two general assemblies each year and an annual conference and each of the component associations has two meetings a year. There are also affinity groups which meet quarterly. The Board has four or five meetings every year.

East Africa – the three countries of Kenya, Tanzania and Uganda. The Association was launched in early 2003 and is staffed by a part-time intern provided by the Aga Khan Foundation, one of the members. Two Board members are also active as volunteers. Although there is a group of committed members and match funding from the Ford Foundation, those involved recognise they are at a very early stage.

Ecuador: alongside one staff member there are internships for short periods. One of the members provides an office and both this foundation, Esquel, and its strong partner, the Synergos Institute, give considerable support to the association. There are two general meetings a year. There is as yet no Board but there are working groups and a communications group is being established. While the

members have agreed to rotate the office base among themselves every two years, the intention is to see, in future, if the association is able to have its own separate office.

Romania: not formally registered yet though still working on this after four years of development. More or less half of the members are foreign donors and the majority of local members are regranters. The offices are provided by one member (Princess Margarita of Romania Foundation). The Steering Committee meets four times a year and the membership six or seven times.

Slovakia was assisted at the start by the Open Society Institute but developed a significant level of independent funding. The Board has to meet three times a year but in 2003 had seven meetings and the five Board members are very active. There are two general meetings for members each year and at present a very active Roma working group, meeting from five to eight times a year. There is a separate community foundation association in the country with ten members.

3 Positioning of the association at the early stage of development

How to define a distinct role for the association

Building credibility at the early stages of association development

External role of the association

Resource people: Vessela Gertcheva, Bulgaria Donors' Forum
Gabriela Ivascu, Romanian Donors' Forum

Moderator: Pavlína Kalousová, Czech Donors Forum

Pavlína began this session by asserting that the length of an association's period of growth depends on the clarity and type of its mission. She pictured two general types of structure:

- concentric circles with the association at the centre and with members, affiliates and others in ever-widening circles around – but with vision and ideas coming from the centre
- or a “currant cake”, a structure bringing together essentially independent members – supporting each other and seeing the association as speaking for them but not doing a wider job – ie a representative body in a strict sense.

Summary of presentation by Gabriela Ivascu from Romanian Donors' Forum

RDF was “born twice”, initiated: November 1999 and going through its first stage of development and initial positioning up to early 2003 when there was in-depth debate and a decision to formalise. The initiators were a group of foreign and indigenous donors who realised the need to improve their cooperation and set up a structure to share information, take joint initiatives to solve pressing issues and communicate more effectively. They wanted to promote organised philanthropy and encourage philanthropic practices in Romania.

This mission was translated into the following objectives:

- 1 Raising awareness about possible new sources of funding available for the NGO sector
- 2 Raising public awareness about grant-makers and the general concept of philanthropy
- 3 Creating a common platform for the protection and promotion of the interests and needs of organised philanthropy
- 4 Gathering and disseminating information about the problems and priorities of organised philanthropy
- 5 Promoting and assisting the development of corporate philanthropy in Romania.

Key achievements in this first phase were:

- internal credibility – RDF has built the confidence of donors in the Forum
- successful creation of a framework for information exchange, coordination and cooperation between its members
- partnerships and joint projects.

At the same time the objectives were recognised as being too broad and in 2002 key objectives were narrowed to:

- 1 Providing a framework for coordination and cooperation between donors and facilitating the exchange of information between grant-makers about their individual programs and strategies.
- 2 Representing and advocating the interests of the donor and NGO community as appropriate.
- 3 Developing philanthropy.

[continued on next page]

[Summary of presentation by Gabriela Ivascu, continued]

- 4 Building the RDF capacity.
- 5 Expanding membership to include other grantmakers and other key players in the philanthropic field (such as corporations).

Transition to this second stage saw significant steps in building institutional capacity:

- hiring a full time coordinator
- strengthening the Steering Committee
- developing a visual identity
- creating a website
- including new areas of interest on the agenda (including annual report contest for NGOs); communication with other sectors (such as corporate); advocating the interests of the donor and NGO community.

The period from 2003 to 2004 involved in-depth discussion about the advantages and disadvantages of formalisation of the Romanian Donors' Forum before the decision was taken to pursue legal registration. The international, political/social, donor level contexts and NGOs/organised civil society were analysed to help RDF establish where it could make a difference. As a result goals and strategies were reassessed.

Mission for RDF as a formal structure:

Building the capacity of the donor community in Romania in order to increase the sustainability of civil society by promoting philanthropy in Romania, good and transparent grantmaking practices, and fostering cross-sector partnerships.

Current objectives

To develop activities that encourage philanthropic behaviour

To advocate for transparent and good grantmaking practices

To contribute to the improvement of the legal framework regarding the third sector

To enhance cooperation and exchange of information and experience among donors and other stakeholders

All this resulted in external credibility developing as a side effect, rather than a deliberate purpose. "Your actions makes you credible." For RDF it is clear that positioning of the organisation at the early stage of development was determined by a set of factors: internal (needs, purpose, goals); external/contextual; status – whether formal or informal; and the chronological phase.

There was some discussion about Romania's activities which are concerned with developing aspects of the whole NGO sector – such as the annual report competition. Some associations are focused on strengthening donors while others like Romania see a role in assisting donors by raising standards among grant-seekers. While this may be valid and essential work in some countries, there was a general sense that this may make it harder for an association to position itself in relation to the grantmaking arena, and also to operate effectively within inevitably limited capacity, especially at the early stages.

The Romanian Donors' Forum has still not been able to register formally as a legal entity. This is creating some challenges, for example in placing too great a reliance on one member acting as its host, restricting the ability to apply for grant support direct, and making it harder for some members to understand fully the real mission of the Forum – and perhaps therefore also restricting the Forum's credibility as a spokesperson for the donor community. The action of registering as a legal entity would normally signify that this is an organisation in its own right, independent, and capable of being credible, of fundraising for itself, and of acting as a spokesperson within its field.

How simple can the mission and vision of a grantmaker association be? Valentina argued that every organisation should have a mission which a five-year old could understand and that fits on a T-shirt – in other words, to build the brand and have the opportunity to advertise it, make the role and purpose of the association as obvious and as real as possible.

Vessela used a real and current example to open her presentation. While the new Forum in Bulgaria is still regarded with suspicion even by some of the donors which are members, at the same time a number of NGOs have been asking the Forum to take up some serious issues with one major donor over what is perceived as maladministration of a public fund.

She raised a number of current dilemmas being discussed and considered:

- should they be planning for the association to exist forever, or could grantmakers come to a point where they do not need it?
- if the association relates only to grantmakers, is it inevitably some sort of elite club – or can it relate to a broader spectrum of NGOs?
- can an association address difficulties and challenges in grantmaking and in its members' practice – or must it always address only the positive?
- is it appropriate to be an advocate for the sector or also to be a more active lobbyist, or only to seek easy relationships with government or be prepared to try to exercise pressure?

In discussion it was confirmed from experience that every decision about the nature and format of a new association should be taken with a long-term perspective: the organisation needs to be developed with permanence in mind. Short term fixes or false starts will affect development of the association for a long time. Better to reflect and review, look at other association's experience, and take time to come to decisions so every step builds the organisations, strengthens its membership and adds to credibility.

So all decisions at the earliest stages need, and deserve, the founders to look ahead as far as possible and be clear about what they want the association to achieve, before making firm decisions about structure, membership arrangements, etc. In the course of discussion there was a clear sense of responsibility expressed towards the broader NGO sector. The association may not choose to offer direct services to grant-seekers (other may be offering these already, or such services might extend the role of the association beyond its realistic capacities). But a vision of the broader field – the bodies which grantmakers exist to support – will help the association to answer questions about its style of work, and the nature of external relationships.

From the earliest stages the developing association needs to be conscious of the reputation and image it acquires and work actively on branding – not allowing the image to be what people (in whatever part of the sector) happen to make of you, but deliberately shaping the image you want, creating the atmosphere you choose. There are many kinds of associations – from the close-knit club to the diffuse network. All can be valid, but the choice needs to be deliberate.

It is essential for every association to be prepared to look at the “dark side of grantmaking”, as the group termed it. It is wise therefore to develop agreed standards and codes at the earliest possible stage. As Bulgaria found, people may well not wait until the association feels ready, before confronting it with dilemmas.

Principles that emerged from discussion - to develop the organisation:

- Build the brand and advertise it
- Develop from a club to an organisation
- Express a clear mission (T-shirt-friendly if possible)
- Plan to be here forever and do everything with this in mind
- Define your donors – ensuring space for local ones
- Focus on donors and the environment
- Develop standards and self-regulation
- Deal with the dark side of grantmaking as necessary
- Be clear who sets the strategy
- Tackle any issues that arise between your funders and your members
- Be active and initiatory
- Establish international credibility
- Never get desperate

4 Membership issues

How to attract and retain different types of members: various strategies and best practice.
Relations between different member groups (eg foreign – indigenous, NGOs – foundations)
Codes of practice at the associations
Internal communication strategies – building the brand
Who are the non-members and why?

Resource people: Jenny Hodgson, East Africa Association of Grantmakers

Natalya Kaminarskaya, Russia Donors' Forum

Moderator: Pavlína Kalousová, Czech Donors Forum

Summary of points from Jenny Hodgson, EAAG

Jenny talked about some particular characteristics of East Africa. In the three countries of the region there were about 40 grantmakers but most were quite isolated from each other with little awareness of themselves as a sector. There was also a tradition of giving to support specific local activities (though this had been abused by politicians) but people did not see any link from this to the work of formal NGOs. So there were some tough choices for EAAG to make in defining membership.

EAAG's main objectives are

To demonstrate and promote philanthropy in East Africa as an integral strategy for permanent wealth-creation for social development

To promote ethical practices in grantmaking as a tool for development

To support members with learning and capacity-building opportunities

To strengthen the individual and collective identity, credibility, coordination and positioning of its members

To engage effectively with governments, private sector, civil society to influence policy

To operationalise these there were detailed discussions about membership criteria and the span of membership that should be encouraged. Initial criteria focused on foundations working in or with a presence in East Africa; they would be grantmakers, and promote philanthropy and either have or be building endowment funds or have assured source of income.

There was great debate about whether there should be corporate members: on the positive side, some felt EAAG would advise corporate members on giving strategically and effectively and it was important to engage with the private sector. On the negative, company giving was seen as too much about PR and possibly corporate involvement could dilute EAAG's goals and values.

Other areas for consideration were:

- Grants: size of grants / grant budget; number / range of grants
- What is the meaning of "assured source of income": could endowments include property, for example, and did regular long-term donations count; should they be required to have a track-record in leveraging resources; must grantmaking be "primary purpose" and done with full independence?

EAAG settled for some more general criteria. They also adapted Russia's Code of Ethics for their members to adopt. They try to avoid any sense of "policing" members but to give the members something to aspire to in their grantmaking. So the agreed initial criteria look like this:

- 1 Full autonomy in grantmaking and track record in leveraging resources
- 2 Abide by Code of Ethics
- 3 Active grantmakers for one year
- 4 Open and transparent grants to at least five organisations each year
- 5 Fundamental purpose is grantmaking
- 6 Presence in Kenya, Tanzania or Uganda

Categories of membership:

Full: meet all criteria

Associate: do not meet all criteria but support Mission and Objectives of EAAG

Affiliates: non-grantmakers who have an interest or involvement in the mission of EAAG

Some challenges are familiar, such as how to attract new members "beyond the fold" and how to ensure members see themselves as owners of and contributors to EAAG as against "customers". Others are more specific. The association covers three countries but most members are in only one of these, Kenya. There has also been one actor in the association from the start that in influence and size overshadows all the others, not only matching all other funding raised, but inevitably occupying a position of power as far as other funders are concerned.

Summary of presentation by Natalya Kaminarskaya of the Russia Donors' Forum

RDF started in 1996 as a gathering of private foreign foundations and by 2000 there were also multilateral agencies, technical assistance providers, embassies, re-granting institutions and indigenous grantmakers. In preparation for formal registration they worked on the mission, a code of ethics and membership criteria.

They had to overcome members' unwillingness to be "counted" and wanted to keep all the active organisations as participants of the formal structure. They needed to work on how to accommodate international experience in existing Russian legislation and wanted to leave space for development, especially of local grantmakers.

Criteria for participation in RDF are:

- 1 Grantmaking as a fundamental operational purpose and activity
- 2 Commanding their own resources, enabling autonomy in grantmaking
- 3 Willingness to share information
- 4 Agreement to abide by RDF's Code of Ethics
- 5 Financial support for the Forum
- 6 Active in Russia for at least one year
- 7 Over \$100,000 given in grants to at least ten grantees, selected under open process
- 8 Geographic principle - grantmaking extends to at least five regions

Categories of Participation

Full members - organisations, both foreign and indigenous, that meet all criteria

Associate members - other grantmaking organisations, active in Russia, that meet criteria 1-5

Partner institutions - bilateral, international and indigenous organizations with substantial philanthropic or technical assistance programmes in Russia, that meet criteria 3-5

Currently there are:

Full members - 9 (2 local, not foreign, 2 re-granting)

Associate members – "1" (CF partnership)

Partner institutions - 15 (1 corporate, 4 embassies, 2 agencies, international philanthropic organisations, etc)

Key challenges for RDF at present are

- the diversity of members: maintaining work with current participants and different groups inside the organisation
- attracting new participants
- "serving" participants
- communicating the Forum's value among members
- involving all categories of participants in the Forum's operations
- identifying services apart from information sharing

Natalya talked in more detail about the issues involved in attracting new participants. For example, there are still a few foreign donors that are not involved. There is, however, slow growth of potential full local members; and there is unbalanced representation of partner institutions compared with full members and of foreign institutions compared with local ones. As for all associations there is the balancing act required to develop and deepen the Forum's work and to promote it among potential members.

Discussion revealed similar issues for most of the associations:

- Should there be a minimum size of grantmaking for a donor to be able to join the association? For example, in the Czech Republic, a donor must make grants totalling \$10,000, among at least ten groups. Russia also had a criterion about donors making grants in at least five regions of Russia.
- Should the association go out and recruit members or wait for grantmakers to come to the association? Some find that when they hold events, the hosts encourage new organisations to attend. In Argentina, a new member must be put forward by two existing ones.
- Much effort may need to go into making sure members feel comfortable with each other and that all feel they are receiving their appropriate share of services – big and small, foreign and local, etc.
- There can be conflicts of interest if grant-seekers belong to an association as well as grantmakers. This can apply to certain kinds of grantmakers too, such as community foundations which also seek funds.

- There are conflicts of interest to clarify when the association looks for funding. Should there be a code about not competing with members? And about seeking member agreement (or Board agreement) before approaching new donors?

While all associations had different criteria for membership and different terminology, there was a broad consensus about what a membership structure might look like:

Full members	Grantmakers which may be defined by size of grantmaking and/or number of grants, or by geography (how much of the territory do they cover?). Most associations also require members to accept a code of standards or ethics
Associate members	Often used for “incubator” status for emerging grantmakers, and/or as an appropriate category for foreign grantmakers (where even if there were a willingness to have them as full members, their constitutions or the country’s legal system might prevent it) This category is also used in one country as a place for collective membership (eg an association of community foundations)
Honorary members	Individuals who give credibility to the association
Affiliates/partner organisations	Useful external bodies with whom association is helpful. These might include public funders if other membership categories do not extend to them. In different countries there were examples of research institutions, universities, PR/communications agencies and training providers in this category

When we use the term “association” what do we have in mind? The staff and secretariat, or the members? Must an association always be either staff-led or member-led, or is it feasible to achieve a balance? Is it a natural development that a member-led “club” becomes a staff-led institution as it grows and matures? Do members as owners and contributors always have to turn into customers? It appears that the most vigorous and lively associations manage to retain both aspects, keeping members’ sense of engagement while also having a role in developing the sector, raising standards and challenging donors to work ever more effectively.

Decisions about membership can be quite political and may involve reviewing how membership looks from outside the association, may involve questions of judgment about the balance of big and small members, or foreign donors as against those of the country or region.

It is also important to be clear that grantmaking foundations are institutions first and foremost, temporarily staffed by people in paid or honorary capacities. Day to day relationships with members depend on these people but the interests of the foundation or other grantmaking body are what matter in the long term.

5 Services to members

Needs assessment and service delivery plans
Meeting needs of different types of members
Addressing diversity within membership groups
Educational programmes for members
Delivery of various kinds of services
Services to non-members

Resource people: *Valentina Ramia, CERES (Ecuador)*
 Katarina Vajdova, Donors Forum, the Slovak Republic
Moderator: *Carolina Langan, Grupo de Fundaciones, Argentina*

In introducing the subject, Carolina posed a series of questions which underlie planning services:

- How can we ensure that services reflect the mission of the association?
- Should services be offered only to members or also to non-members?

- Which services are free and which should be charged for?
- How far in providing services is the association initiating activity rather than reacting or responding to members?
- Can training programmes be of general interest, covering the basics of foundation work, or need they be about specialised or affinity work?
- Who is able to analyse member needs – and using what methods?

The two presentations showed the great variety there can be in service provision even in relatively new associations.

Ecuadorian Consortium for Social Responsibility (CERES): summary of Valentina Ramia's presentation

The network grew from a study of grantmakers conducted by Esquel Foundation and The Synergos Institute. The results indicated that the creation of an association of grantmakers would meet certain needs:

- promote social responsibility
- develop a culture of strategic philanthropy
- foster dialogue – and trust – within and with other sectors
- strengthen the institutional capacity of local foundations

Mission: Promote the concept and practice of social responsibility in Ecuador through a group of strong organisations committed to the sustainable development of the country.

Objectives:

Promote a culture of social responsibility in Ecuador

Strengthen the institutional capacity of its members

Foster dialogue and build bridges with key audiences and sectors, such as legislators, government agencies, private sector, media and development organizations.

Membership base - the diversity is evident from a few facts which show the initial challenges for service provision: In Quito, the capital city, 7 out of 13 members; CERES' offices; corporate social responsibility is gaining momentum. Guayaquil is a business centre and 3 members are there. Charitable work is powerful and volunteer groups are strong. Cuenca, is a cultural centre, one member based there. Grassroots organisations are common. Manta: trade centre, one newly incorporated member, and a potential community foundation. Ambato: one newly incorporated member, a corporate foundation and a potential community foundation

The second objective is the most relevant to this discussion of membership - strengthen the institutional capacity of its members. To know how to set about this, CERES developed a service plan by using an institutional diagnostic tool developed by The Synergos Institute. They analysed the members' needs this demonstrated, and used these to decide on providing the most wanted services:

- capacity building
- access to information
- professional and collaborative links
- institutional visibility

Among these were some new services which are still under development and review: e-group for accessing information; interactive discussion forums; individualised consultancies; and individualised follow up to diagnostic interviews.

The association has learned vividly that its capacity to deliver services depends on available resources; geographical location of members limits the amount of meetings members can attend; keeping members engaged between meetings demands small and regular activities; and to plan effectively "in some cases, it is good to see the non profit sector with for profit eyes".

Challenges are

- focusing on the relevance of each service according to strategic objectives
- doing more with same income budget
- addressing diversity between members
- keeping members engaged and committed
- raising additional funds
- measuring the impact of services

Everyone in the group was very interested in the thorough review CERES undertook on what members needed. The creation of CERES was in the context of foundations which knew little of each

others' work and lacked trust among themselves. There was little knowledge or experience of grantmaking and hardly any research on the field. (Esquel Foundation, supported by The Synergos Institute, has so far done the only research on Ecuadorian grantmakers).

In order to determine its service plan, CERES borrowed a diagnostic tool from the Synergos Institute (which needed some adaptation to be relevant to the country context). They conducted extensive sessions with their members, one by one, working through the diagnosis with the CEO and other staff of individual foundations.

There was good feedback from this process. CEOs and staff of the member organisations made time to talk about their needs and saw this in itself as a useful exercise for their own organisations. In addition, the development of services by CERES, using the results of analysis, have been warmly accepted as relevant and useful.

What they learned from this diagnosis about the extent of need for services and support enabled CERES to understand the scale of resources the association itself ideally needs. They also realised how important this contact with CERES was for members and began to explore ways of helping members keep in touch between meetings. Where this is achieved it also reminds members of the value to them of being part of CERES.

There are several issues which pose challenges for Ecuador. Geographic spread of members is one, so activities and workshops need to be replicated in some or all of the five towns and cities where their members are. In spreading their activities, however, use of their services and attendance at their meetings tends to widen to a broader range of NGOs, beyond those which are grantmakers. There is also as yet a limited pool of experienced local people to use in providing training and consultancy – and those foreign consultants with the right expertise do not speak Spanish. Synergos Senior Fellows from other Latin American countries have been providing assistance as workshop facilitators. One is at present also undertaking consultancy with individual members on areas such as strategic planning.

An important element of CERES' work is its newsletter, which works well as a communication tool. Before it was developed, CERES took plenty of time to develop a careful communications plan, to identify the precise function and appropriate style for the newsletter: Valentina believes this was time well spent. They are also trying out an interactive electronic group but finding (as is common experience) that it is hard to sustain and needs restarting on a regular basis. When it is active it is useful for sharing material and advice and information. Pavlína described a very effective e-group but noted it was a distinct group coming together for a specific campaign – the Legal Working Group. What the Czech Donors Forum has developed is a one page electronic newsletter every two weeks for members only and stored on the website: this is popular and feedback is good.

A strong focus of services is professional development for foundation staff and this emphasises collaboration and information sharing.

A priority of CERES is to expand the staff by adding a half-time communications specialist to develop implement and evaluate a communications plan.

Katarina set the context in which the Slovak Donors Forum had developed. The NGO sector was active and extensive with many support organisations. It was therefore relatively easy for the Forum to focus on the core purposes of supporting effective grantmaking and promoting the creation of more grantmakers. She described the range and style of services and talked through several examples of work in more detail.

Summary of key points from Katarina Vajdova of the Donors Forum of Slovakia

Services aim to:

- intensify communication among donors
- provide opportunities to combine financial and human resources between grantmakers
- encourage co-operation in awarding grants
- analyse the grant environment (legal and economic)
- contribute to promotion of philanthropy
- develop initiatives with sponsor groups
- maintain international networking

Katarina then looked at several of the services in depth and generated much interested debate.

- 1 Coordination of program impact
- 2 Data collection and exchange of data
- 3 National and international networking (eg in 2002: national conference on Slovak foundations in the changing legal environment; and in 2003 on current problems of foundations. Also hosted the Grantmakers East annual conference that year and took part in EFC's annual event and Katarina joined a major EFC committee)
- 4 Media monitoring of Roma projects and more generally of the sector to learn the public perception and identification of problems
- 5 Representation: eg on the Government Council for the NGOs (the Forum is the Council member and has the right to nominate experts to its working groups)

New challenges now being addressed include extending membership and in terms of services attention will be given to

- coordination of the programme impact of Slovak development aid to 12 other countries
- the need for the public database
- promotion of corporate philanthropy
- harmonisation of the NGO legal and fiscal environment in the context of government decentralisation

The Forum believed that it was important to root its work in extensive data collection and analysis of the grantmaker field. This offered useful information to members, but also strengthened the Forum's case about the promotion of philanthropy. It could also prove to be revenue earning – this was being explored. This was ready for further development into a programme that encouraged coordination between grantmakers in order to improve impact. Russia's experience was that it was hard to persuade members to share data initially but that what they first collected provided such powerful messages that further compliance was relatively easily obtained. The Czech Donors Forum reviews such data annually (based on desk research, and using students).

This gives them information on the financial capacity of the sector, sources of funds for grantmaking, and the costs of grantmaking.

In Slovakia, much work is carried out through programme related working groups which currently includes the development of the Roma programme (on the economic and social problems relating to this substantial minority group) and work on corporate philanthropy which they hope to develop by linking with the major businesses in the country.

One service not shared by others in the group is an organised programme of media monitoring which aims to capture all coverage of the sector and allows the Forum to work on both positive and negative perceptions in the press.

A list of all the services covered by one or more participants in the group included the following:

- Information – collecting and disseminating
- Capacity building
 - training
 - consultancy
 - professional development
 - networking/sharing experience

- Work on standards – ranging from assisting with the management of self-regulation to being a “watchdog”
- Convening
 - whole membership on general matters and specific topics
 - affinity groups
 - one-off campaigns
- Grants coordination (this was specifically a Slovak service – assisting members in using field-wide data to refocus their own programmes)
- Media monitoring

Lobbying and advocacy were explored separately. Services to non-members were not covered in any depth but in principle could also cover a similar range.

It was hoped that WINGS could share the diagnostic tool used by CERES for establishing the range of service needs. A further topic to explore and one on which WINGS could usefully collect and disseminate good material was how best to evaluate the impact of services.

A source of useful resources for several countries proved to be foreign embassies: The British, Canadian, Dutch and US embassies in several countries were cited as offering international visitors as speakers or trainers, and sometimes hosting events.

Other questions discussed but also left on the table for further consideration were:

- The extent and frequency of member consultation and the management of expectations when it is done – this last point is often left considerably to the discretion of the CEO.
- How to allow for some flexibility so as to have the capacity to respond to urgent issues for the sector.
- Is there more analysis to be done to rank services according to the stage of association development?

6 Lobbying

Association’s position in advocacy

Retaining pressure and engaging government in activities

Cooperation with other lobbying groups

Resource: Pavlína Kalousová, Czech Donors Forum

Moderator: Jenny Hodgson, East Africa Association of Grantmakers

Jenny saw four major external constituencies relevant to associations:

Government	Foreign donors
Corporate sector	NGO sector

She assumed that an association would want to have equal weight in its dealings with all three of the national sectors but encouraged review of an association’s positioning in relation to all of them.

Pavlína described the whole process of lobbying by the Czech Donors Forum, to change a specific piece of legislation that prevented effective investment of endowment held by foundations. She set the scene by describing the variety of NGO-government links and especially those that relate to foundations and to her Forum in particular. To undertake the lobbying they needed to understand fully the process by which legislation came into force and exactly where in government were the actors at each stage of this process. They have already established the Forum as an expert on foundation law

that is consulted by government, and in turn are recognised by the foundations as a spokesperson for them in this area.

Pavĺina set out some principles learned from this campaign:

- Monitor plans and proposals from all parts of government continuously so as to have early warning of changes and threats
- Then when issues arise start work immediately – early involvement cuts down the work to be done
- Audit where your contacts are in government – who knows who. (In Pavĺina’s example, two big banks used their contacts with MPs)
- Identify key people in government who must be influenced (officials, MPs etc). Keep notes all the time of MPs who hold positions in NGOs who should have the knowledge and interest to be helpful when you need them
- Develop a campaign strategy
- Make sure that any material that goes to government people is unique to each person in some way – eg for politicians use arguments that relate to their party policy. Record precisely what you give to each one and what you say to them.
- Do as much behind the scenes lobbying as you can.
- If you are arguing for legal change see if you can find a way of hiding your change in a bigger and more general piece of legislation so it might slip through the process more easily.
- Use non-formal occasions to raise your issue
- Use all the communications channels open to you
- Keep potentially hostile people informed.
- Where an issue is very technical do not underestimate the work to be done and use the best expertise. On this endowment issue especially there was a lot of technical work to be done. They pulled together an expert group, involved lawyers to help with drafting precise clauses, and involved banks to advise on the technicalities of investment.
- Do not lose concentration at any stage: in the example she was using, Pavĺina explained that several abrupt changes occurred which meant the legislation did not follow the normal process.
- Do not forget the follow up – successful or otherwise. Thank everyone involved, and do a broad evaluation of the process followed, contacts used, etc for the next time.

After a lively discussion, the essentials seemed to be:

- Monitor all new legislation – and move quickly when urgent action is essential.
- Keep everyone well briefed – your own team and the various contacts
- Build long term relationships with officials and politicians at every level, in case you need them, but keep them up to date – power bases change, people move at short notice, etc.
- Gain legitimacy through people who can recommend you
- Be open as far as you can; keep confidences when you need to. In other words, be reliable.

As discussed earlier, an association may have to act on an important challenge or opportunity for the sector while it is still at an early stage. To be effective the association requires credibility with its members and externally – back to the essential nature of being aware of the issues around positioning, as discussed earlier.

7 Miscellaneous issues arising from the sessions

Resource person: Gaynor Humphreys, WINGS

A final session reviewed the usefulness of the event and also covered a range of small and larger questions which were not addressed earlier in the session.

Governance issues

Do associations allow alternates to attend meetings when named Board members cannot come? Several allow substitutes and some have poor experience of these, with little contribution at meetings and limited feedback to the principal Board member.

What diversity factors are applied to selecting board members? There was general agreement that geographic diversity is important, and topic areas too, but that the qualities of the individual member must be an important factor.

Funding issues

Financial sustainability did not loom large in discussion but there was a question about the sources of funding and the group looked at how far membership subscriptions contributed (and in this there was perhaps greater diversity than in any other aspect of management and organisation).

Most had the following sources, in different proportions:

- Membership fees
- Grants towards operating costs
- Help in kind from members
- Sales income – from events, publications, etc (in some cases only charged to non-members)
- Sponsorship for particular events, publications, etc
- Consultancy services (to donors, to government, etc)
- Grants towards special projects (often from members rather than external funders)

There was some sharing of experience on setting subscription levels. Gaynor promised to circulate a paper from Rosa Gallego in Spain which set out the principles helpfully. There were worries that subscriptions can be too high for small grantmakers, yet these may need the association's services most.

Coping with competition

In some countries there were challenges to the role of the association. In one, for example, a government ministry was laying claim to donor education work, hosting a website and suggesting meetings – though in practice not working in any active way. The feeling was that this could only be tackled obliquely by demonstrating the quality of the association's work on systemic issues.

Budgeting for staff development

The value of this sort of event seemed clear, with all participants expressing high satisfaction with the event and the opportunity to get to know one another's work better and learn from each other. While WINGS tried to help financially, these events, and other opportunities to talk in depth to counterparts in other countries, need to be seen by Boards as the primary professional development opportunities for their senior staff, and provision for such international meetings factored into the budget.

Feedback on the event

A full analysis of evaluation forms will be reviewed by the Peer Learning Working Group and posted on the website. A couple of comments made at the event:

“I was thoroughly impressed by the knowledge, competence, professionalism of the participants.”

“The most valuable aspect of this event was the diversity of participants and their points of view and their willingness to be open in discussion”.

Every participant identified some learning that they would take and apply to their own situation, most saying that they were stimulated by discussion, that discussion had crystallised their thinking on certain of their own challenges, and that strengthened personal contacts would be valuable.

Logistics and practicalities

The peer learning event was arranged by WINGS and was the third of its kind. From now on at least two are planned for each year and WINGS is always happy to hear from potential hosts. The Russia Donors' Forum assisted as follows:

- Identified a hotel, negotiated a good rate and made the bookings
- Worked with the hotel on the paperwork all participants needed for Russian visas
- Offered their own meeting room for the two day sessions and provided tea, coffee, water and juice throughout each day
- Made a data projector and other equipment available
- Printed material needed for the sessions and provided these in folders at the start of the event
- Arranged for lunches to be brought in to their office during the working days
- Booked restaurants for each evening and found the funding to pay for one of these meals
- Provided a thorough written briefing to help participants get from the airport to the hotel, and useful information about currency, climate, etc
- Provided transport between the hotel and the meeting venue every day.

Over and above all this, which was negotiated in advance, the Executive Director of the Forum was available before and after the event with help and practical assistance to encourage people to feel comfortable about seeing interesting aspects of Moscow, even arranging a sightseeing tour and visit to an art gallery just before the event was due to start. Her generosity and that of her Board members were much appreciated. The Moscow weather was somewhat better than normal but WINGS also appreciated that some participants from warmer climates made a big effort to attend because they saw the topic as timely and important.

WINGS offered scholarship support for participants to help with the air fare and cost of the hotel and covered the one dinner and the two lunches. A personal donation from Neil Osborn contributed generously to these on-site costs. The Russia Donors' Forum helped with other local costs. Peer learning event hosts are asked to make a commitment to financial as well as logistical support.

Help was also acknowledged from WINGS' Peer Learning Working Group (David Winder, Chair; Pavlína Kalousová; Natalya Kaminarskaya) who did the initial planning for the event and selected participants, and from Gina Estipona of the WINGS Secretariat who provided all the necessary practical and technical support to the Working Group, the host organisation and individual participants.